

## COVENANT NOT TO EXECUTE

THIS AGREEMENT made on this day, by and between JOHN MAGUIRE and PATRICIA MAGUIRE, (hereinafter jointly referred to as plaintiffs), and STEVEN A. TEUBER and JANE DOE TEUBER, husband and wife, and WILLIAM W. HADSALL and JANE DOE HADSALL, husband and wife (hereinafter referred to as defendants).

### RECITALS

Whereas, plaintiffs have separate claims against defendants arising out of an accident which occurred on October 1, 1999, on Interstate 5 in the vicinity of Milepost 147, Seattle, King County, Washington; and

Whereas, the accident of October 1, 1999 caused severe injuries to John Maguire, and loss of consortium for Patricia Maguire; and

Whereas, as a result of the aforementioned accident, an action has been commenced in the Superior Court of Washington for King County entitled *John Maguire and Patricia Maguire v. Steven A. Teuber and Jane Doe Teuber, husband and wife and the marital community composed thereof; and William W. Hadsall and Jane Doe Hadsall, husband and wife and the marital community composed thereof, defendants*, King County Cause No. 00-2-29728-9 SEA;

Whereas, defendants Teuber did not have insurance coverage ; and

Whereas, defendants Hadsall have insurance policy coverage through Farmer's Insurance bearing policy number \_\_\_\_\_ with policy limits of \$100,000.00, but have no other insurance agreements, and/or policies under which an insurance carrier may be liable to satisfy part or all of a judgment which may be entered in the aforementioned litigation, or to indemnify or reimburse defendants for payments made to satisfy any judgment; and

---

Whereas, defendants have no substantial assets of their own with which to satisfy a judgment greater than \$100,000.00; and

Whereas, the plaintiffs have offered to settle their claims against Hadsall and Teuber for Hadsalls' liability insurance policy limit of \$100,000.00; and

Whereas, the plaintiffs and defendants agree that the sums paid hereunder are not full compensation for damages sustained by the plaintiffs, and that the damages to plaintiffs resulting from their injuries, in fact, far exceed the amount to be paid hereunder; and

Whereas, this Agreement is being made for the sole benefit of the parties hereto under the policy of the law favoring the settlement of litigation, which policy would be to some extent impaired if any remaining potentially liable persons or entities, including the State of Washington, received any benefit of any kind whatsoever by way of discharge of their liability, either in whole or in part; and

Whereas, there is no intent by plaintiffs or defendants to benefit any remaining potentially liable persons or entities, including the State of Washington, as a result of the covenants contained herein, but the sole intent is that this Agreement should be to their own benefit, and that any remaining potentially liable persons or entities, including the State of Washington, are not to be in any way construed as third party beneficiaries thereof; and

Whereas, defendants expressly deny any liability for the accident of October 1, 1999, the sums paid hereunder being for the purpose of avoidance of the uncertainties, inconvenience, and expenses of the pending lawsuit, and for the additional purpose of partial compensation to the plaintiffs for their damages resulting from the accident; and

Whereas, plaintiffs expressly reserve all rights of actions, claims, demands, and rights of execution against any and all other persons or entities, including the State of Washington, other than as mentioned herein;

---

1. In consideration of the payment of \$100,000.00 to the plaintiffs, receipt of which is hereby expressly acknowledged, plaintiffs do covenant, and agree with defendants, their successors, assigns, agents, employees, and insurance carriers that plaintiffs (or any successor or assignee) will not execute or otherwise seek to enforce or collect on any judgment entered in the pending lawsuit rendered against the defendants, their assigns, agents, employees or insurance carriers. Plaintiffs will not assign any such judgment to any other party and, if such assignment is made, plaintiffs' assignors will be bound by the terms of this Covenant. Should judgment be entered against any defendant who is a party to this agreement, plaintiff will provide that defendant with a Satisfaction of Judgment promptly upon final disposition of all claims in this matter.

2. The plaintiffs expressly reserve all rights of action, claims, demands, and rights of action against any and all persons or entities, including the State of Washington, or any of its agents or agencies, other than as mentioned herein.

3. The plaintiffs expressly acknowledge that this Covenant Not to Execute is intended to constitute a complete resolution of all claims by the plaintiffs against defendants Teuber and Hadsall under RCW 4.22.060 such that any and all contribution claims against those defendants will be extinguished by this settlement. While the parties to this Covenant Not to Execute believe that this settlement is reasonable, it is hereby recognized that should a court at any time find that this settlement was unreasonable, this settlement is still effective between the parties to this agreement and any finding that the settlement is unreasonable shall not affect the validity of this agreement nor shall any adjustment be made in the amount paid between the parties to this agreement nor shall such a finding have any effect on the discharge of defendants Hadsall and Teuber from any liability for contribution.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
John Maguire, plaintiff

Dated this \_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
Patricia Maguire, plaintiff

Dated this \_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
Steven A. Teuber, defendant

Dated this \_\_\_\_ day of \_\_\_\_\_, 2001.

\_\_\_\_\_  
William W. Hadsall, defendant, on  
behalf of himself and his marital  
community